

CHAPTER I

PROJECT/GRANT ADMINISTRATION

Introduction

The success of a Community Development Block Grant (CDBG) project depends upon careful management and administration.

This involves planning and scheduling, knowledge and responsibility of a variety of management functions, effective oversight of program activities, and attention to detail.

The project should be managed to maintain progress and assure compliance. The CDBG policies and regulations are proper, sound business practices for the completion of any public project. The knowledge and understanding of these policies and regulations will allow for a process that will work hand in hand with achieving the desired project goals.

This manual is designed to assist CDBG recipients with project activities and compliance. It contains the regulation, policy, or rule, and a number of forms and samples to assist with managing the grant and understanding the process.

The initial project/grant management responsibilities are:

1. Standard procedure (Page I-2)
2. Selection of an administrator (Page I-3)
3. Duties that are key to the program (Page I-5)
4. Recordkeeping (Page I-6)
5. Internal monitoring (Page I-7)
6. File structure (Page I-7)

Careful attention to these matters will help get the project started properly.

Other important sections in this chapter:

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| Sample Administration File Structure | Page I-8 | Monitoring Checklists/Desk Review | Page I-16 |
| Conflict of Interest Policy | Page I-44 | Property Management | Page I-46 |

STANDARD PROCEDURE

A variety of procedures exist that must be fulfilled for your CDBG project/grant to be successful. We want to ensure an effective and efficient use of public dollars. The requirements should not be viewed as a hindrance. Rather, they are tools for the community to protect their own and the public's interests as investors in the project. Each area of responsibility is discussed in greater detail in later sections of this handbook.

Briefly, those responsibilities include:

1. **General Program/Grant Management:**

- a. recordkeeping (saving documents, filing, keeping receipts, etc.);
- b. financial management (tracking all of the project dollars);
- c. citizen participation (including your citizens in the project);
- d. procurement (how to purchase materials and select contractor);
- e. contract and property management (who to contract with and what the document should say); and
- f. close-out and audit requirements (how to finalize your project).

2. **Environmental Requirements** – The process that examines what effect your project activities will have on the environment.

3. **Labor Standards** – Payment of state prevailing wage and Federal Davis Bacon wages to all contractor employees.

4. **Civil Rights** – Ensuring equal opportunity under the law.

5. **Acquisition and Relocation** – Protecting landowner and homeowner rights.

Knowledge of these responsibilities allows the community to start initial planning of the administrative structure and processes to make certain that these responsibilities are fulfilled. Decisions must be made about how the program will be administered and who will be responsible for various tasks that must be carried out along the way to program completion. **REGARDLESS OF THE ADMINISTRATIVE METHOD USED, THE GRANTEE HAS THE RESPONSIBILITY OF SEEING THAT THE GRANT IS CARRIED OUT PROPERLY AND RETAINS LIABILITY FOR THE GRANT.**

SELECTING AN ADMINISTRATOR

There are three basic approaches that the community can take to the management of the CDBG grant.

1. The community may manage the grant itself, using available staff.
2. The community may hire new staff specifically for purposes of managing the grant.
3. The community may contract with a third party (e.g., a regional planning commission or a private consultant) to manage the grant.

Each approach has advantages and disadvantages, and the choice should be made on the basis of careful consideration of the circumstances in the community and the nature of the funded project.

Using Current Staff

This approach has certain advantages. Individuals involved with the project will be familiar with existing administrative routines, and they will know where to go to obtain needed support and information. They will be familiar with the community's goals, particularly if they were involved in planning for the project, thus, they can ensure project implementation in a way that is consistent with those goals. In addition, the use of existing staff eliminates the need to hire and train new staff. It avoids any problems the community might face in working with a third party.

This approach should probably be taken if the community has available staff with sufficient time to undertake the added responsibilities. Staff will either need to work on an overtime, extra-compensation basis, or they will have to defer other activities. Competent staff should be able to manage the program well, if they engage in sufficient administrative planning. Previous work with Federal grants provides important experience, since a variety of Federal laws and regulations apply to project activities.

Regular city staff whose time is committed to the grant project cannot be paid from the grant funds unless they receive overtime pay, their salaries are increased to reflect additional duties associated with the CDBG program, or their job descriptions are temporarily changed to defer or reassign duties. Grant funds are paid to the general fund and the extra pay dispersed through the regular employee-pay method. Only the addition to their salary can be paid from grant funds, and this **must** be approved by DED before such salary costs are incurred. All hours worked on the program must be documented with time sheets for each employee involved, and payment must coincide with hours worked. Suggested employee roles for local administration are included herein.

Hiring New Staff

If current staff do not have sufficient time to administer the project, consideration should be given to hiring additional staff to provide necessary support. The advantage of this approach is that the person or persons hired for this purpose will be on hand on a daily basis and will be able to work closely with local officials in administering the grant. A problem is that it may be difficult to find qualified individuals for temporary, perhaps part-time positions. Again, all employees paid from CDBG funds must document time spent on grant with timesheets, as payment must be for CDBG work only.

Contracting Out

A third approach is to contract with a regional planning commission or private consultant to provide the necessary support. Many such organizations already have experience with the CDBG and similar programs. They can bring considerable expertise to bear and relieve local officials of much of the

burden of administering the grant. Engineering firms may qualify to administer a grant. However, an engineering firm cannot perform both administration and engineering on the same grant.

Someone on city staff should be familiar with project requirements so that the work of an outside administrator can be monitored properly, **as the grantee remains responsible for proper administration**. An administrator is simply another contractor of the community.

No grantee will be penalized if it does not have the capacity to properly administer the grant from existing staff members; rather, they should propose that an outside firm will be contracted or new staff will be hired, as appropriate, to administer the grant. Every grant must be administered by a competent person who will properly oversee the requirements set forth by Federal law and state regulations; therefore, the grantee must be assured competent administration when deciding this issue.

The program administration structure should be guided by the scope and difficulty of the approved CDBG program, prior grant experience, proper internal control, and financial management requirements. For example, a small-scale public facilities project with a single construction contract need not have an elaborate management structure. On the other hand, a housing rehabilitation program or economic development project may involve several contractors, bank negotiations, escrow accounts, the purchase of land and easements, and the management of a revolving loan fund.

If the community decides to retain an outside organization to administer the project and proposes to use grant monies as all or part of administration payment, it must use the competitive proposal process (see the Procurement Chapter) to ensure that it receives the best help for the best price. It should use a well-developed contract to govern the relationship between itself and the administrator, specifying carefully the work elements to be completed and the time schedule for completion of the work elements. The community may wish to retain some administrative responsibilities. All such arrangements should be carefully spelled out in any contract.

The Procurement Chapter describes the **required** method of procurement that solicits all known grant administrators and the area RPC.

Contracts for administrative services cannot be on a pro-rated basis as the method of payment (a set amount per month for a pre-determined number of months) if Block Grant money is used to pay for administration. As with any contract, payments should be based on monthly cost reimbursement or a percentage payment after milestones in the grant.

REGARDLESS OF WHAT METHOD IS CHOSEN FOR GRANT ADMINISTRATION, GRANT FILES MUST BE RETAINED AT THE GRANTEE'S OFFICE OF BUSINESS.

Financial Management is the responsibility of the grantee, and cannot be contracted out to a grant administrator.

Responsible Local Individual:

One person should be assigned as the point of contact for communication between:

- Grantee and state
- Grantee and administrator
- Grantee and contractors
- Grantee and engineer

SUGGESTED ROLES FOR GRANTEE ADMINISTRATION

As noted, there are several areas of responsibility related to CDBG project/grant management. Also, as noted, there are a variety of approaches that can be taken to administer the project. However, it is useful for a community administering its own grant to think about two essential roles that should be clearly defined: **Community Development Project Manager and Community Development Finance Officer.**

Responsibilities of Community Development Project Manager

The Community Development Project Manager shall have overall project responsibility and shall be the focal point for the resolution of any problems that may develop in the course of project implementation. Specifically, this individual shall have the following responsibilities:

- oversee recipient and contractor compliance with statutory/program requirements;
- contact point with DED;
- recommend approval of third-party contracts;
- recommend approval for purchase orders;
- recommend and/or approve invoices/contractor payment;
- oversee field review of project activities;
- oversee project progress;
- oversee CDBG budget/project amendments;
- maintain project files;
- complete DED reports on project performance;
- monitor third-party contracts;
- submit final close-out report(s); and
- oversee annual audit requirements.

Responsibilities of the Finance Officer

The Finance Officer is responsible for maintaining official CDBG financial records. The Finance Officer will be responsible for the following:

- maintenance and control of accounting documents approved for processing by the Community Development Project Manager;
- preparation of financial reports based on accounting records;
- preparation of grant requisitions (Request For Funds Form) subject to review by Community Development Project Manager;
- entry of these and other accounting transactions into the accounting system; and
- maintenance of financial process files (working files).

In managing CDBG financial resources, there must be an appropriate division of responsibility regarding the request and receipt of CDBG monies. Proper internal control should be exercised to guard against opportunities for waste, fraud, and mismanagement.

RECORDKEEPING

An adequate recordkeeping and filing system for the Missouri CDBG program is essential to document both recipient fulfillment of applicable regulations and accomplishment of program activities. Complete records are necessary for the two major aspects of CDBG audit, financial soundness and program compliance. Without adequate records to support programmatic decisions, even the best performed program will receive an adverse audit. As noted earlier, all files and records must be kept at grantee's business offices and must be available to the public during regular business hours, except confidential files relating to housing and/or economic development. Grantees are required to control grant funds and establish adequate safeguards to protect the records that document CDBG transactions.

Record Retention Requirements

CDBG program records are to be maintained for a period of **five years**.

In the event of litigation, claims, or other unresolved legal issues, the five-year period begins with the date noted on the Certificate of Completion. If litigation or other legal matters extend beyond the five-year period following the date on the Certificate of Completion, then the records retention period extends to the date of the final judgment or ruling in the case. The records retention requirement applies to "source documentation." This term refers to any writing that activates a flow of funds. Source documentation comprises purchase orders, invoices, contracts, checks, budget transfer memoranda, and other transaction documentation. It also includes writings that verify compliance with nonfinancial components of program administration, such as inspection reports that confirm fulfillment of applicable regulations. For example, if a housing unit is inspected for lead-based paint, an inspection report noting the findings should be completed and filed. Original documents are preferred, but copies are acceptable as source documents.

File Management Considerations

The importance of maintaining a logical and complete filing system cannot be overemphasized. The key consideration in designing any system is that it creates a clear "audit trail." This means that every transaction can be traced from beginning to end. (For example, a simple purchase of goods might begin with a purchase requisition followed by a purchase order that is matched with a receiving report when the goods arrive. These documents are then matched with a vendor's invoice and a check is processed. After appropriate accounting entries are made and the cancelled check is returned, the entire transaction may be filed.) Thus, the purchase may be traced from beginning to end by source documentation. The process of tracing is the primary concern of program auditors. A record and filing system that enables an auditor to quickly and easily trace transactions using source documentation and coding references will generally result in a favorable audit report. **See grant audit requirements in the Close-out Chapter of this manual.**

INTERNAL MONITORING

One of the most important functions undertaken by CDBG grant recipients is monitoring, or grant oversight. The four primary components of CDBG monitoring are progress on planned activities, program compliance, fiscal management, and fiscal compliance. This will require development of a monitoring system that will allow recipients to:

- manage their community development program as a whole, and individual projects and activities substantially, as described in the approved CDBG application;
- maintain program or project progress;
- determine that costs charged to the project are eligible;
- ensure that all program activities comply with all applicable laws and regulations and terms of the grant agreement; and
- eliminate the opportunity for fraud, waste, and mismanagement.

The key to successful monitoring of many different contracts simultaneously is to maintain constant contact with the contractors. This can be accomplished by frequent discussions and site visits as well as the formal means of communication. These site visits should include checks of progress toward project milestones, a review of compliance with each contract provision, and confirmation of satisfactory work prior to the approval of each invoice. Only by making these efforts can recipients ensure that CDBG program progress is being maintained as specified by the CDBG contract with DED. Please refer to the Contract Management Chapter in this manual.

Recipients must also develop procedures to monitor internal management. For example, it is absolutely essential that the Request for Release of Funds and Certification be approved by DED prior to the commencement of any CDBG activity other than administration (See the Environmental Review Chapter). Ensuring that program files are properly maintained, that adequate books and records are kept, and that reports to DED are submitted on a timely basis requires a system of internal monitoring.

By properly monitoring their program, recipients can promptly identify problems, make appropriate corrections while activities are ongoing, communicate with subrecipients on a routine basis, and report overall program status at any point in time.

Two suggestions to assist with internal monitoring follow:

1. A recommended file structure; and
2. A compliance monitoring checklist.






RECOMMENDED FILE STRUCTURE

Grant files are divided into categories and are coded to facilitate placement and retrieval of documents. If a recipient has more than one CDBG grant, separate files should be kept to distinguish between grant years. A sample of the CDBG file categories and their contents follows.







CDBG ADMINISTRATION FILE STRUCTURE

Following is a recommended file structure for administering CDBG projects. The structure includes the documentation that should be included in each file. However, please note that this structure is not all-inclusive, but rather a thorough outline. If this structure is followed, grantees should have few, if any, monitoring findings.



NATIONAL OBJECTIVE

-  All income surveys and tabulation sheet, if applicable
-  Documentation of 51% LMI from census information, if applicable
-  Documentation of alleviating slums and blight, if applicable
-  Documentation of meeting an urgent health and safety need, if applicable
-  Verification of income for direct hookups utilizing CDBG funds, including copies of bank statements, tax returns, social security, disability reports, etc.





CITIZEN PARTICIPATION












-  Affidavit of publication for application public hearing
-  Minutes of application public hearing
-  Affidavit of publication for the public hearing held to review grant performance
-  Minutes of performance review public hearing
-  All criticisms, complaints, and grantees' responses to these criticisms and complaints
-  Documentation of actions taken to involve all citizens in implementing the project

PROPERTY MANAGEMENT












-  List of all personal property purchased with CDBG funds
-  Complete register of all property acquired

FINANCIAL MANAGEMENT












-  Copy of the CDBG Administrative Manual
-  Funding Approval/Grant Agreement
-  Checkbook
-  Activity ledger

-  Bank statements and evidence of reconciliation
-  All canceled checks
-  Evidence that CDBG funds are in a non-interest bearing account
-  Copies of all RFFs and supporting invoices reference with check numbers, dates, and amounts paid
-  Cash match documentation including invoices, canceled checks, ledgers, etc. (If downtown revitalization, cash match must be one-for-one match with private investment.)
-  In-kind match documentation including employees, pay per hour, and number of hours worked on project (time sheets)
-  All contract amendments and supporting documentation
-  Copies of SFM01, SFM02, and ACH form
-  Copies of all project audits
-  Copy of the close-out packet
-  Evidence of use of program income as approved by DED, if applicable








ENVIRONMENTAL REVIEW RECORD






-  Environmental Assessment
-  Environmental Assessment Review Letter
-  Affidavit of publication of Combined Notice or NOI/RROF
-  Historic Preservation Clearance (including memorandum of agreement)
-  Other applicable documentation such as floodplain notices, farmland impact rating, etc.
-  Evidence that all notices were sent to the required agencies (Return Receipt or copies of dated and signed letters)
-  All correspondence from CDBG staff (i.e., letters, e-mail logs, phone logs)
-  All comments received and the grantee's responses to these comments
-  Request for Release of Funds and Certification (signed by CEO)
-  Removal of Grant Conditions
-  Notice of Release of Environmental Requirements (for private monies only) (Economic development projects only)

EQUAL OPPORTUNITY

-  Total indirect beneficiaries, including breakdown of LMI, female heads of household, and minorities (Black, Hispanic, Asian, Native Hawaiian/Pacific Islander, Native American, etc.)
-  Total direct beneficiaries, including breakdown of LMI, female heads of household, and minorities, if applicable
-  Total direct beneficiary applicants, including breakdown of female heads of household and minorities (for housing and economic development projects)
-  Evidence that equal opportunity guidelines were followed for persons hired specifically for the CDBG project
-  Section 3 documentation
-  All Contract and Subcontract Activity Reports (formerly Business Participation Reports)
-  Grantee's Excessive Force Policy, including physically barring access to a facility
-  Grantee's Fair Housing Ordinance (Resolution), including all protected categories
-  Documentation of actions taken to further Fair Housing for each subsequent year the grant is open (e.g., for projects awarded June 1, 2000, one action must be conducted prior to June 1, 2001 and so forth)
-  Documentation that Fair Housing impediments have been identified (for projects funded in 1995 and after)
-  All equal opportunity/civil rights complaints and grantee's response to these complaints






PROCUREMENT AND CONTRACT MANAGEMENT

-  Copy of grantee's procurement and conflict of interest policies
 -  Copies of the intergovernmental agreement
 -  Evidence that grantee maintains a listing of all MBE, WBE, and Section 3 firms
 -  Copies of grantee/subgrantee agreement
 -  Approval from DED if less than three bids are received for any contract
 -  Evidence that the following certifications and executive orders are in all project contracts (Section 504, Section 109, Age Discrimination Act, Executive Order 11063, Executive Order 11246 (contracts exceeding \$10,000), Section 3 (contracts exceeding \$100,000), and Affirmative Action Plan (construction contracts))
-  Administration Contract

-  Copy of the Request for Proposals (RFP) identifying all evaluation factors (see sample Administration RFP) (Note: Cost must be a factor.)
-  Evidence that all known area administrators were solicited, including MBE and WBE firms
-  Evidence of the selection criteria for award, including minutes of the meeting
-  Documentation that all unsuccessful bidders were notified in writing
-  Executed administration contract as well as all proposals received














Engineering/Architectural Contract

-  Copy of the Request for Qualifications (RFQ) identifying all evaluation factors (see sample Engineering/Architectural RFQ) (Note: Cost cannot be a factor.)
-  Evidence that all known area engineers/architects were solicited, including MBE and WBE firms
-  Evidence of the selection criteria for award, including minutes of the meeting
-  Documentation that all unsuccessful bidders were notified in writing
-  Executed engineering contract as well as all proposals received











Construction Contract




-  Executed construction contract and bid specifications
-  Bid, performance, and payment bonds
-  Evidence that bids contain language relating to labor provisions, bonding, and equal employment opportunity
-  Documentation that items to be bid are clear and without reference to specific brand requirements
-  Labor Standards Provisions as well as the CDBG General Conditions and Supplemental Conditions
-  Contractor certifications
-  Subcontractor certifications, if applicable
-  Correct state and Federal wage rates
-  Affidavit of publication for bids in a general circulation newspaper (newspaper of widest circulation in the region)

-  Affidavit of publication for bids in minority and trade publications or evidence of direct solicitation
-  Documentation of the public meeting held to open bids as well as the bid tabulation






Housing Rehabilitation Contracts

-  Executed construction contract and bid specifications
-  Evidence that bids contain language relating to equal employment opportunity
-  Quantity of materials, location of house, quality of materials, and installation methods
-  Proof of contractor's workman's compensation
-  Contract prohibits use of lead paint and worker protection as specified in 29 CFR Part 1926
-  Affidavit of publication for bids in a general circulation newspaper (newspaper of widest circulation in the region), at least twice per year
-  Affidavit of publication for bids in minority and trade publications or evidence of direct solicitation
-  Documentation of the public meeting held to open bids as well as the bid tabulation







Small Purchase Contracts, if applicable

-  Listing of all vendors solicited, including MBE, WBE, and Section 3 firms, and price quotations
-  Copy of specifications provided to vendors, whether goods or services
-  Executed contract

LABOR STANDARDS



-  Documentation that wage rates were verified within 10 days of opening bids
-  Documentation that the contractor eligibility was verified (disbarment check)
-  The Start of Construction Notice, including copy of DNR construction permit
-  The pre-construction report and minutes
-  Evidence that all contractors and subcontractors are in good standing with the State of Missouri

Separate payroll file for each contractor and subcontractor




-  All project payrolls, complete with names, addresses, social security numbers, work classifications, hourly rates, etc.
-  Statement of compliance for each payroll
-  Documentation of fringes per hour for each classification, if applicable
-  Apprentice documentation, if applicable
-  Payroll review documentation
-  Employee interviews to cover a representative number of trades throughout the project

ACQUISITION


Separate file for each property acquisition

-  Preliminary acquisition notice to acquire, including invitation to accompany appraiser
-  Documentation that all landowners were provided with the brochure “When A Public Agency Acquires Your Property” (Return Receipt or signed statement)






Donations









-  Waiver of rights to just compensation and release of grantee’s obligation to an appraisal
-  If not waived, copy of appraisal or determination of value data
-  All required title documentation including deed, recording evidence, etc.

Voluntary Acquisition

-  Evidence of advertisement or invitation of property solicitation, including non-specific site and option to not acquire if negotiations fail














Standard Acquisition





-  Appraisal and review appraisal
-  If not appraised, documentation that property valued at less than \$2,500
-  Written offer to purchase, including statement for determining offer (Return Receipt)
-  Evidence of clear title, survey, deed, and legal description
-  Proof of payment

-  Recorded deed
-  Report of Commendation Commissioners if result of condemnation
-  Written notice not to acquire, if applicable (Return Receipt)
-  Rental agreement and short term lease, if applicable
-  Evidence that the grantee has adopted appeal procedures
-  Evidence the property owner was informed of his right to appeal and judicial review (Return Receipt)
-  Evidence of grantee's written determination of appeal (Return Receipt)
-  Evidence of state's written determination of appeal (Return Receipt)

RELOCATION





Separate file for each relocation

-  Notice of eligibility for relocation assistance (Return Receipt)
-  Evidence tenant was provided with applicable HUD brochure (Return Receipt)
-  Evidence of the 90-day Advance Notice to Move (Return Receipt)
-  Claim forms (e.g., tenant assistance or down payment assistance, replacement housing payment, moving and related expenses, etc.)
-  Evidence of donation if owner donates property in lieu of relocation payment
-  Documentation of payment (relocation and moving expense)
-  Selection of Most Representative Comparable Replacement Dwelling form
-  Evidence that the selected replacement unit was inspected and determined to meet DSS standards
-  Documentation that unit is infeasible to rehab and no comparable unit exists in the grantees jurisdiction, if applicable
-  Evidence that displaced persons were notified of relocation assistance under 104(d), if applicable
-  Grantee's Residential Antidisplacement and Relocation Assistance Plan
-  Grantee's one-for-one replacement plan, if applicable
-  Evidence that the grantee has adopted appeals procedures













-  Evidence of informing individual of his right to an appeal and judicial review (Return Receipt)
-  Notice of Denial of Relocation Assistance Claim, if applicable
-  Evidence of grantee's written determination of appeal (Return Receipt)
-  Evidence of state's written determination of appeal (Return Receipt)





HOUSING REHABILITATION

(See applicable Housing Manual for more detail)









-  Map indicating target area, houses rehabilitated, and level of rehabilitation
-  Rehabilitation guidelines for rating individual projects and evidence of distribution to the public
-  Documentation of demographic characteristics of all rehab applicants
-  Project log sheet, including name, income categories, tenure, and project completion date

Separate file for each rehabilitation

-  Evidence that landlords provided 25% of rehabilitation funds, if applicable
-  Signed rent freeze agreements, if applicable, including evidence of affordable rent
-  Signed application of beneficiary
-  LMI verification and demographic data
-  Preliminary work write-up
-  Proof of ownership
-  Historic Preservation clearance for structure
-  Notarized lien waivers for all contractors, subcontractors, suppliers, etc.
-  Executed Certificate of Completion
-  Documentation of termite treatment by licensed applicator, if applicable
-  Evidence that lead based paint brochures were received by landlord and tenant (Return Receipt)
-  Evidence of lead inspection and risk assessment, if necessary, including baseline dust testing

-  Evidence that lead inspection results were provided to landlord and tenant (Return Receipt)
-  Evidence of lead inspector/risk assessor licensed by DOH
-  Lead reduction plan, if applicable
-  Inspector's certification of cleanup of dust, if applicable

ECONOMIC DEVELOPMENT (INCLUDING MICROENTERPRISE)

-  Current payroll listing, including dates of hire
-  Employment Status Statements for all employees hired after job creation start date and completed summary sheet
-  Summary sheet indicating demographic data for all job applicants
-  Summary of private investment with supporting invoices and/or canceled checks
-  If speculative building, evidence of marketing the building
-  Documentation of repayment of program income, if applicable
-  If microenterprise, copies of loan documents to individual businesses
-  If microenterprise, LMI status of owner, if applicable

MONITORING CHECKLISTS

Depending upon the complexity of the project and the familiarity of the grantee with CDBG, a project may be formally monitored either one or two times. The monitoring will be scheduled well in advance with the community and their administrator.

Technical assistance visits may also be made by staff, if requested or determined that it would best suit the grantee and the State's investment of grant dollars. Technical assistance visits are made to assist the grantee toward achieving successful project completion. The experience of the staff toward problem resolution and recommending alternative solutions is a source and a benefit that every grantee needing assistance should utilize.

The following checklists are provided for the benefit of the grantee. They contain the review of every area of compliance for which the grantee is responsible, and they represent the same documents that the field representative uses in determining the performance of the grantee.

STANDARD MONITORING

DESK REVIEW

Grantee _____ Project No. _____

Date of Review _____ Type of Review _____

Reviewer _____ Grantee Staff Present _____

1. GENERAL INFORMATION

A. Grant/Loan Amount: _____

B. Award Date: _____

C. Percent of construction complete: _____

D. Percent of administrative paperwork complete: _____

E. Amount of funds remaining: _____

F. Date of previous monitoring visit: _____

G. Date findings due: _____

H. Date findings resolved: _____

I. Type of acquisition involved (easements or fee simple title): _____

J. Source of acquisition funding: _____

K. Acquisition done before or after first public hearing? _____

L. Projected close-out date: _____

M. Contact person(s): _____

Address: _____

Telephone: _____

N. Current Mayor/Presiding Commissioner: _____

O. Monitoring attendees: _____

NATIONAL OBJECTIVE

Project No. _____

Reviewer _____

1. LOW AND MODERATE INCOME BENEFIT

A. Percent of benefit shown on application (funding approval): _____

B. Benefit is:

☐ Citywide ☐ Target Area ☐ Limited Clientele ☐ Housing Only

☐ Post Award Certification ☐ Economic Development (including Microenterprise)

C. Benefit determined by census? ☐ Yes ☐ No

D. LMI survey conducted by grantee? ☐ Yes ☐ No

100% solicitation proven? ☐ Yes ☐ No

Applicable return rate achieved? ☐ Yes ☐ No

E. Actual tabulation of survey in field:

Total Persons # LMI _____ % LMI _____

Total Families # LMI _____ % LMI _____

F. Is this in accordance with application? (method, numbers, percentages) ☐ Yes ☐ No

If No, explain: _____

G. Did any change in the project scope affect a change in the beneficiaries? ☐ Yes ☐ No

H. If so, were new beneficiaries surveyed? ☐ Yes ☐ No

I. If so, is the national objective still being met? ☐ Yes ☐ No

2. SLUMS AND BLIGHT

A. Slums and blight activity is identified as: ☐ Area ☐ Spot ☐ Infeasible to Rehab
☐ Chapter 353 ☐ Local dangerous building code

B. Project includes supporting documentation? ☐ Yes ☐ No

C. Spot slums and blight: All structures vacant for three months prior to demolition? ☐ Yes ☐ No

Area CDBG funds used to address deteriorated conditions? ☐ Yes ☐ No

3. ACTIVITIES DESIGNED TO MEET URGENT HEALTH AND SAFETY NEEDS

(Requirements established at application stage)

A. Problem identified as: _____

COMMENTS: _____

4. Is the grantee's file for this compliance area complete? ☐ Yes ☐ No

COMMENTS: _____

CITIZEN PARTICIPATION

Project No. _____

Reviewer _____

1. Are grant records kept at grantee's office? ☐ Yes ☐ No
2. Is documentation of public hearing available in the grantee files? ☐ Yes ☐ No
3. Has the performance public hearing been held? ☐ Yes ☐ No
 - Date of publication: _____
 - Date of hearing: _____
 - Place held: _____
 - Affidavit of publication and minutes in file? ☐ Yes ☐ No ☐ N/A
4. Were all public hearings accessible to handicap (disabled) persons? ☐ Yes ☐ No ☐ N/A
5. Were all public hearing notices published or posted sufficiently? ☐ Yes ☐ No ☐ N/A
6. Is there an indication in the community that an interpreter was needed? ☐ Yes ☐ No ☐ N/A
 - If so, was one provided at the hearing? ☐ Yes ☐ No ☐ N/A
7. Have any criticisms or complaints been received in writing regarding the program? ☐ Yes ☐ No ☐ N/A
 - If Yes, explain how they were handled: _____
8. List any additional ways the grantee has demonstrated efforts to involve citizens throughout all stages of the project. _____
9. Section 504 Compliance
 - A. Has the grantee completed a self-evaluation of program access? ☐ Yes ☐ No
 - B. Does the grantee have 15 or more employees? ☐ Yes ☐ No
 - i. If so, has the grantee completed a Section 504 Transition Plan based on the results of the self-evaluation? ☐ Yes ☐ No ☐ N/A
 - ii. Has the grantee designated a Section 504 Coordinator? ☐ Yes ☐ No ☐ N/A
 - Provide name and title: _____
 - iii. Has the grantee adopted a written grievance procedure to resolve complaints regarding Section 504? ☐ Yes ☐ No ☐ N/A
10. Is the grantee's file for this compliance area complete? ☐ Yes ☐ No

COMMENTS: _____

PROPERTY MANAGEMENT

Project No. _____

Reviewer _____

1. Was any personal property purchased with CDBG funds? ☐ Yes ☐ No
(If Yes, complete the remaining questions.)
2. Is CDBG funded, nonexpendable personal property identified with an inventory tag or other control? ☐ Yes ☐ No ☐ N/A
List tagged items: _____

3. If any real property was purchased, was it titled correctly to the owner (either the grantee or not-for-profit)? ☐ Yes ☐ No ☐ N/A
A. If so, is the real property deed restricted to prevent resale for undue enrichment? ☐ Yes ☐ No ☐ N/A
B. Is the deed restriction for twenty years? ☐ Yes ☐ No ☐ N/A
4. Is the grantee's file for this compliance area complete? ☐ Yes ☐ No

COMMENTS: _____

FINANCIAL MANAGEMENT

Project No. _____

Reviewer _____

1. CASH

- | | | |
|--|------------------------------|-----------------------------|
| A. Does the grantee record all cash transactions in a checkbook? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| B. Does the grantee use activity ledgers?: | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| C. Are RFFs based on either work completed and invoiced or projected cash needs? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

2. BANK STATEMENT RECONCILIATION

- | | | |
|---|------------------------------|-----------------------------|
| A. Are checkbook balances reconciled to bank statements monthly? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| B. Is the bank statement reconciliation documented? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| C. Is the person reconciling monthly bank statements prohibited from signing checks? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| D. Are two signatures required on all checks? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| If No, is person writing checks prohibited from signing them? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| E. Is the person authorized to sign checks different from the person who signs RFFs? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| F. Check a sample of canceled checks. Are all dates, payee, amounts, endorsements, and signatures proper? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| G. Did the grantee spend all cash in excess of \$1,000 within the 5 days allowed? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| (Local funds placed in the CDBG account will also cause a 5-day violation; therefore, local funds should also be spent timely.) | | |
| H. Is the CDBG bank account non-interest bearing? (i.e., escrow accounts must be interest bearing) | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| I. If other than an escrow account, and interest was earned, was the interest returned to DED? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

3. MATCHING FUNDS

- | | | |
|---|------------------------------|-----------------------------|
| A. If the grantee was required to use matching funds, is there a record of all matching funds used, including supporting documentation? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
|---|------------------------------|-----------------------------|

B. Documentation:

| | Funding Approval | Amount |
|---------------|------------------|--------|
| Cash match | _____ | _____ |
| In-kind match | _____ | _____ |
| Other | _____ | _____ |

- | | | |
|---|------------------------------|-----------------------------|
| C. Did the grantee expend the amount of matching funds pledged in the application (funding approval)? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| D. Were construction matching funds used first? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| If no, why? _____ | | |
| _____ | | |
| E. Is there any evidence of CDBG funds used to reimburse local funds expended prior to environmental release of CDBG funds? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| F. Is there any evidence of CDBG funds used to reimburse local funds expended prior to the grant award date? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

G. If Downtown Revitalization, is there a dollar-for-dollar match of eligible private investment funds? ☐ Yes ☐ No

4. AUDIT TRAIL

A. Are all accounting transactions supported by invoice? ☐ Yes ☐ No

B. Are invoices properly referenced with check numbers, dates, RFF numbers, funding sources, and amounts paid? ☐ Yes ☐ No

C. Are all expenses allowable per grant agreement? ☐ Yes ☐ No

D. For in-kind or local labor, are payrolls supported by time sheets? ☐ Yes ☐ No

5. PROGRAM INCOME

A. If earned, was program income disclosed in financial records? ☐ Yes ☐ No ☐ N/A

B. Was program income used for eligible activities? ☐ Yes ☐ No ☐ N/A

C. Was the eligible expenditure of program income approved by DED prior to use? ☐ Yes ☐ No ☐ N/A

D. Are all reports on program income current with DED requirements? ☐ Yes ☐ No ☐ N/A

6. ESCROW ACCOUNTS (Housing)

A. Was an escrow account set up? ☐ Yes ☐ No ☐ N/A

B. Was interest earned in excess of \$100 in any calendar year? ☐ Yes ☐ No ☐ N/A

7. Is the grantee's file for this compliance area complete? ☐ Yes ☐ No

COMMENTS: _____

ENVIRONMENTAL REVIEW

Project No. _____ Reviewer _____

1. Did the state determine the environmental status of the project as:

☐ Regular Environmental Review

☐ Categorical Exclusion

☐ Exemption

2. Does the local environmental review record include:

A. The environmental assessment ☐ Yes ☐ No ☐ N/A

B. The combined notice ☐ Yes ☐ No ☐ N/A

C. Flood plain notice, if applicable ☐ Yes ☐ No ☐ N/A

D. Categorical exclusion concurrence letter, if applicable ☐ Yes ☐ No ☐ N/A

E. Environmental assessment review letter ☐ Yes ☐ No ☐ N/A

F. Memorandum of agreement, if applicable ☐ Yes ☐ No ☐ N/A

G. Are all the requirements of the MOA complete? ☐ Yes ☐ No ☐ N/A

H. FONSI notice recipients. List: _____

I. Removal of grant conditions:

Public ☐ Yes ☐ No

Private ☐ Yes ☐ No ☐ N/A

3. CHANGES IN THE ASSESSMENT

A. Were there any substantial changes in the project scope after the initial assessment and Removal of Grant Conditions? ☐ Yes ☐ No ☐ N/A

B. If yes, were the new circumstances or changes assessed, SHPO clearance received, and publication and public comment completed? ☐ Yes ☐ No ☐ N/A

Note: If an Environmental Impact Statement was required, the DED environmental review officer will conduct a separate monitoring.

4. Is the grantee's file for this compliance area complete? ☐ Yes ☐ No

COMMENTS: _____

EQUAL OPPORTUNITY/CIVIL RIGHTS

Project Number _____ Reviewer _____

1. DIRECT BENEFICIARIES:

“Total Direct Beneficiaries” will include all direct beneficiaries, including those of Hispanic ethnicity. “Hispanic Direct Beneficiaries” should include only those direct beneficiaries of Hispanic ethnicity.

| | Total Direct Beneficiaries | Hispanic Direct Beneficiaries |
|---|-------------------------------|-------------------------------------|
| White: | | |
| Black/African American: | | |
| Asian: | | |
| American Indian/Alaskan Native: | | |
| Native Hawaiian/Other Pacific Islander: | | |
| American Indian/Alaskan Native & White: | | |
| Asian & White: | | |
| Black/African American & White: | | |
| Am. Indian/Alaskan Native & Black/African Am.: | | |
| Asian & Native Hawaiian/Other Pacific Islander: | | |
| All Others: | | |
| TOTAL | | |
| Female Head of Household: | | |
| Handicapped (Disabled): | | |
| Elderly: | | |

2. DIRECT BENEFICIARY APPLICANTS

“Total Direct Beneficiary Applicants” will include all direct beneficiary applicants, including those of Hispanic ethnicity. “Hispanic Direct Beneficiary Applicants” should include only those direct beneficiary applicants of Hispanic ethnicity.

| | Total Direct Beneficiary Applicants | Hispanic Direct Beneficiary Applicants |
|---|---|---|
| White: | | |
| Black/African American: | | |
| Asian: | | |
| American Indian/Alaskan Native: | | |
| Native Hawaiian/Other Pacific Islander: | | |
| American Indian/Alaskan Native & White: | | |
| Asian & White: | | |
| Black/African American & White: | | |
| Am. Indian/Alaskan Native & Black/African Am.: | | |
| Asian & Native Hawaiian/Other Pacific Islander: | | |
| All Others: | | |
| TOTAL | | |
| Female Head of Household: | | |
| Handicapped (Disabled): | | |
| Elderly: | | |

3. CDBG EMPLOYMENT

A. Were any persons employed by the grantee specifically for the project? ☐ Yes ☐ No ☐ N/A

B. If yes, specify: _____

Did the grantee include equal opportunity guidelines in their advertising for positions paid by grantee? (See the Financial Management page, Section 4.D, if yes to above.) ☐ Yes ☐ No ☐ N/A

4. EXCESSIVE FORCE AND FAIR HOUSING EFFORTS

A. List the actions the grantee has taken to affirmatively further Fair Housing. The grantee must conduct an action each year (12 month period) of the project, beginning with the grant award date.

B. Are Fair Housing actions current? ☐ Yes ☐ No ☐ N/A

C. List the actions the grantee has taken to address the Analysis of Impediments to Fair Housing Choice. The grantee must conduct an action each year (12 month period) of the project, beginning with the grant award date.

D. Are the Analysis of Impediments to Fair Housing Choice actions current? ☐ Yes ☐ No ☐ N/A

5. COMPLAINTS

A. Have any *written* equal opportunity/civil rights complaints been received? ☐ Yes ☐ No ☐ N/A

B. Were the complaints handled appropriately? ☐ Yes ☐ No ☐ N/A

C. Should the Missouri Human Rights Commission or HUD be contacted? ☐ Yes ☐ No ☐ N/A

6. Is the grantee's file for this compliance area complete? ☐ Yes ☐ No

COMMENTS: _____

PROCUREMENT

Project No. _____

Reviewer _____

1. GENERAL REQUIREMENTS

- | | | | |
|--|------------------------------|-----------------------------|------------------------------|
| A. Does the city have a written procurement policy? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| B. Does the city have a written conflict of interest policy? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| C. Whose procurement policy was used in this project? | _____ | | |
| Was it implemented correctly? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |

2. PROFESSIONAL SERVICES

- | | <u>Administration</u> | | <u>Engineering</u> | | <u>Other</u> | |
|--|------------------------------|-----------------------------|------------------------------|-----------------------------|------------------------------|-----------------------------|
| A. Did the grantee correctly prepare an RFP for administrators/professional service providers? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| B. Did the grantee correctly prepare an RFQ for engineers/architects? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| C. Did the RFP/RFQ identify the appropriate evaluation factors? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| D. For administration, were all firms on CDBG list contacted? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| E. Was the RFQ published in the newspaper of widest circulation? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| F. Was the solicitation of the RFP/RFQ adequate? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| G. Was the RFP/RFQ published in a minority newspaper? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| If not, were an adequate number of MBE/WBE firms directly solicited? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| H. Does the grantee have formal documentation of contract award? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| If not awarded to the lowest bidder, are selection criteria available? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| I. Were unsuccessful bidders notified in writing? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| J. Did the grantee receive approval if less than three bids/proposals were received? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

3. CONSTRUCTION

- | | | | |
|---|------------------------------|-----------------------------|------------------------------|
| A. Did the grantee use competitive sealed bids (contracts over \$25,000)? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| B. Did the advertisement require a bid bond, cashier's check, or other acceptable method for 5% of the bid? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| C. Did the advertisement contain language relating to labor provisions, state & Federal prevailing wage certifications, bonding, Section 3, and equal employment opportunity (EEO)? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| D. Were descriptions of items/services on the invitation to bid clear and without reference to specific brand requirements unless the brand was used as an example of functional or quality requirements? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| E. Were bids advertised in the newspaper of widest circulation or the Dodge Report? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| F. Were bids advertised in a minority newspaper? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| G. If not, were an adequate number of MBE/WBE/Section 3 firms directly solicited? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| H. Were wage rates verified prior to opening bids? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |

| | | | | |
|----|---|------------------------------|-----------------------------|------------------------------|
| I. | Was a public meeting held to open bids and minutes in the file? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| J. | Were fewer than three bids received for any contract? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| K. | If so, did the grantee receive approval prior to awarding contract? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| L. | Was the contract awarded to the lowest responsible bidder? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| M. | If not, explain. _____ | | | |
| | | | | |
| 4. | SMALL PURCHASES (less than \$2,500) | | | |
| A. | Is there documentation of vendors, price quotations, and dates? (telephone bids, faxed bids, e-mails) | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| B. | Did the list of vendors include: | | | |
| | MBE/WBE firms? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| | Section 3 firms? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| C. | Was selection purchased fairly? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| D. | Was a purchase order/contract issued to the most advantageous vendor? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| 5. | NONCOMPETITIVE PROPOSALS (Must be pre-approved by DED) | | | |
| A. | Was the desired item available from only one source? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| | If no, were costs eligible? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| B. | Did the grantee receive authorization for noncompetitive negotiation? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| C. | Was competition determined to be inadequate after soliciting all known sources? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| D. | Were the goods or services needed immediately to meet a public emergency? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| 6. | HOUSING REHABILITATION | | | |
| A. | Did the grantee annually advertise for rehabilitation contractors? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| B. | Was the solicitation adequate? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| C. | If not, were bids advertised in a minority newspaper? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| D. | Were an adequate number of MBE/WBE/Section 3 firms directly solicited? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| E. | Explain other methods used to procure rehabilitation contractors. _____ | | | |
| | | | | |
| 7. | Is the grantee's file for this compliance area complete? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | |
| | COMMENTS: _____ | | | |
| | | | | |
| | | | | |

CONTRACT MANAGEMENT

Project No. _____

Reviewer _____

1. PROFESSIONAL SERVICE CONTRACT REVIEW

| | <u>Admin</u> | <u>Architect/Eng</u> | <u>Other</u> |
|---|--|--|--|
| A. Name of Contracted Firm: | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| B. Amount of Contract | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| C. Do the RFFs match the amount of CDBG participation in the contract (to date)? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| D. Do the RFFs exceed the funding approval line item? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| E. If so, were grant amendments approved? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| F. Is there evidence the contract was paid in full using all sources? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| G. Is the contract based upon either lump sum or cost plus a fixed fee? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| H. Is an original (not photocopy) contract available? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| I. Is the original properly executed? (<i>signed & dated</i>) | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| J. Did the grantee follow their own rules for executing this contract? (council action, attorney review) | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| K. Did the right parties sign? (CEO/Mayor or Presiding Commissioner/assignee) | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| L. Does the date of the contract precede the award? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| M. If so, is there a contingency clause? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| N. Is the pricing clear? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| O. Is the scope of services detailed enough? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| P. Were contract amendments executed? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| i. Is the amendment clear and specific? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| ii. Did both parties sign the amendment? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| iii. Is amendment attached to the original contract? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Q. Is there an affirmative action plan for the professional service provider in file? (<i>not necessarily in contract documents</i>) | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| R. Did the contract include the following: (<i>look for CDBG form Part II Terms and Conditions from sample admin & engineering contracts</i>) | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Title VI, Civil Rights Act of 1964 | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Section 3 (<i>only applicable over \$100,000, look for similar to paragraph 8D p. 108</i>) | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Section 109 | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Section 503 | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Section 504 | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Age Discrimination Act of 1975 | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |

Executive Order 11246 (*only over \$10,000*) (p. 102)

Anti-Lobbying (*only over \$100,000*) (p. 30)

☐ Yes ☐ No ☐ Yes ☐ No ☐ Yes ☐ No

☐ Yes ☐ No ☐ Yes ☐ No ☐ Yes ☐ No

2. CONSTRUCTION CONTRACT REVIEW

1

2

3

A. Name of Contracted Firm:

B. Amount of Contract:

C. Do the RFFs match the amount of CDBG participation in the contract?

☐ Yes ☐ No ☐ Yes ☐ No ☐ Yes ☐ No

D. Do the RFFs exceed the Funding Approval line item?

☐ Yes ☐ No ☐ Yes ☐ No ☐ Yes ☐ No

E. If so, were grant amendments approved?

☐ Yes ☐ No ☐ Yes ☐ No ☐ Yes ☐ No

F. Is there evidence contract was pd in full using all sources?

☐ Yes ☐ No ☐ Yes ☐ No ☐ Yes ☐ No

G. Is the contract based upon either lump sum or unit price?

☐ Yes ☐ No ☐ Yes ☐ No ☐ Yes ☐ No

H. Is an original contract available?

☐ Yes ☐ No ☐ Yes ☐ No ☐ Yes ☐ No

I. Is the original properly executed (*signed & dated*)?

☐ Yes ☐ No ☐ Yes ☐ No ☐ Yes ☐ No

J. Did the grantee follow their own rules for executing this contract (*council action, attorney review*)?

☐ Yes ☐ No ☐ Yes ☐ No ☐ Yes ☐ No

K. Did the right parties sign (*CEO/Mayor or Presiding Commissioner/assignee*)?

☐ Yes ☐ No ☐ Yes ☐ No ☐ Yes ☐ No

L. In general, are all of the parts of the contract included (*original bid documents, contract form, general conditions, plans and specifications*) and bound to one set of contract documents?

☐ Yes ☐ No ☐ Yes ☐ No ☐ Yes ☐ No

M. Were addenda a part of the bid process?

☐ Yes ☐ No ☐ Yes ☐ No ☐ Yes ☐ No

N. If so, are they noted clearly in the contract?

☐ Yes ☐ No ☐ Yes ☐ No ☐ Yes ☐ No

O. Were contract amendments (*change orders*) executed?

☐ Yes ☐ No ☐ Yes ☐ No ☐ Yes ☐ No

i. Are they clear and specific?

☐ Yes ☐ No ☐ Yes ☐ No ☐ Yes ☐ No

ii. Do they detail cost?

☐ Yes ☐ No ☐ Yes ☐ No ☐ Yes ☐ No

iii. Are they dated and numbered?

☐ Yes ☐ No ☐ Yes ☐ No ☐ Yes ☐ No

P. Were the change orders approved by the grantee (*not just engineer*)?

☐ Yes ☐ No ☐ Yes ☐ No ☐ Yes ☐ No

Q. Is the change order attached to the original contract?

☐ Yes ☐ No ☐ Yes ☐ No ☐ Yes ☐ No

R. Specifically, does the construction contract include:

i. A copy of the bid bond, irrevocable letter of credit, or other acceptable instrument? (*look at bid tab or in contract documents*)

☐ Yes ☐ No ☐ Yes ☐ No ☐ Yes ☐ No

ii. Performance bond (*over \$100,000*) (p. 65)

☐ Yes ☐ No ☐ Yes ☐ No ☐ Yes ☐ No

iii. Payment bond (*over \$100,000*) (p. 67)

☐ Yes ☐ No ☐ Yes ☐ No ☐ Yes ☐ No

iv. Labor Standards Provisions (p. 90)

☐ Yes ☐ No ☐ Yes ☐ No ☐ Yes ☐ No

v. Anti-Kickback Act (p. 93)

☐ Yes ☐ No ☐ Yes ☐ No ☐ Yes ☐ No

vi. Anti-Lobbying Certification (p.64)

☐ Yes ☐ No ☐ Yes ☐ No ☐ Yes ☐ No

vii. Contractor (*may be on bidder form*) certification on:

- | | | | | | | |
|----------------------------|------------------------------|-----------------------------|------------------------------|-----------------------------|------------------------------|-----------------------------|
| 1. EEO (p. 45) | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 2. Section 3 (p. 46) | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 3. Labor Standards (p. 57) | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

viii. Subcontractor certifications on:

- | | | | | | | |
|----------------------------|------------------------------|-----------------------------|------------------------------|-----------------------------|------------------------------|-----------------------------|
| 1. EEO (p. 57) | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 2. Section 3 (p. 60) | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 3. Labor Standards (p. 61) | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

- | | | | | | | |
|---|------------------------------|-----------------------------|------------------------------|-----------------------------|------------------------------|-----------------------------|
| ix. Section 3 plan (p. 50) | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| x. Section 3 contractor forms (<i>A,B,C,D</i>) (p. 52-55) | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| xi. Have forms C & D been updated at end of contract? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| xii. Relevant state prevailing wage determination | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| xiii. Relevant Federal prevailing wage determination | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| xiv. General Conditions (<i>CDBG or equivalent</i>) | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

xv. HUD Supplemental Conditions, containing at least:

- | | | | | | | |
|--------------------------------------|------------------------------|-----------------------------|------------------------------|-----------------------------|------------------------------|-----------------------------|
| 1. Executive Order 11246 (p. 101) | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 2. Affirmative Action Goals (p. 102) | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 3. Section 3 (p. 108) | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

xvi. Appendix 1, containing at least:

- | | | | | | | |
|--|------------------------------|-----------------------------|------------------------------|-----------------------------|------------------------------|-----------------------------|
| 1. Title VI, Civil Rights of 1964 (p. 111) | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 2. Title VIII, Civil Rights of 1968 (p. 111) | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 3. Section 109 (p. 111) | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 4. Section 503 (p. 111) | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 5. Section 504 (p. 112) | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 6. Age Discrimination Act of 1975 (p. 112) | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 7. Executive Order 11063 (p. 112) | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

- | | | |
|---|------------------------------|-----------------------------|
| 3. Is the grantee's file for this compliance area complete? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
|---|------------------------------|-----------------------------|

COMMENTS: _____

LABOR STANDARDS

Project No. _____

Reviewer _____

1. GENERAL

- | | | | |
|---|------------------------------|-----------------------------|------------------------------|
| A. Are wage rates correct as shown in the contract(s)? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| B. Are all contractors and subcontractors licensed to do business in Missouri and in good standing with the Secretary of State's Office? (<i>Exception: sole proprietorship with non-fictitious name.</i>) | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| C. Is the contractor verification clearance correspondence in the file? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| D. Is the Start of Construction Notice on file? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| E. Is the Pre-Construction Conference Report on file? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| F. Is there a bulletin board in a central location at the work site where EEO provisions, wage determinations, health & safety regulations, Dept. of Labor wage notices, and the bilingual EEO notice are posted? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| G. If an irrevocable letter of credit from a FDIC bank was issued in place of a performance bond, do irrevocable status and dates cover the life of the project? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |

2. PAYROLL REVIEW

- | | | | |
|--|------------------------------|-----------------------------|------------------------------|
| A. Was the first payroll submitted to DED for each contractor and subcontractor? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| B. Are payrolls signed by employer or authorized representative? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| C. Was a statement of compliance submitted with each payroll? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| D. Is the employer IRS identification number on record? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| E. Do the payrolls contain the following for each employee: | | | |
| i. Name? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| ii. Address? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| iii. Social Security Number? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| iv. Work classification? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| v. Hourly rates of wages paid? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| vi. Daily number of hours worked (including any overtime)? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| vii. Weekly number of hours worked (including any overtime)? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| viii. Deductions made? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| ix. Gross and net wages paid? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| F. Do wage rates on payrolls equal the rates in the wage decisions? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| G. If split work classifications, have separate daily time records been kept? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| H. If fringe benefits are paid into a plan, is amount/hour documented? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| I. Has grantee reviewed payrolls? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| J. Has overtime been correctly paid? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |

3. EMPLOYEE INTERVIEWS

A. List number of employee interviews conducted: _____

B. Were a representative number of trades covered for all contractors? ☐ Yes ☐ No ☐ N/A

C. Were interviews compared against payrolls for compliance? ☐ Yes ☐ No ☐ N/A

D. Were interviews compared against wage rates for compliance? ☐ Yes ☐ No ☐ N/A

E. Were interviews signed by payroll examiner (labor standards officer)? ☐ Yes ☐ No ☐ N/A

4. Is the grantee's file for this compliance area complete? ☐ Yes ☐ No

COMMENTS: _____

5. WAGE RATE COMPLIANCE

A. Federal Wage Decision: _____ B. State Annual Wage Order: _____

Straight Time Compliance

| Pay No. | Name | Craft or Classification | Rate Paid | | | State Rate | | | Federal Rate | | | App |
|---------|------|-------------------------|-----------|--------|-------|------------|--------|-------|--------------|--------|-------|-----|
| | | | Basic | Fringe | Total | Basic | Fringe | Total | Basic | Fringe | Total | |
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Overtime Compliance

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NOTES:

ACQUISITION

Project No. _____

Reviewer _____

1. What type of acquisition was required:

- | | | |
|---|------------------------------|-----------------------------|
| Full Title | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Permanent Easement | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Long Term Lease | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Right of Way | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Temporary Easement (If checked, not subject to Uniform Act) | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Acquired from another public entity (If checked, not subject to Uniform Act) | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

2. Is there a separate file of each necessary acquisition?

☐ Yes ☐ No

3. Does each file contain the following:

File Name:

- Proof of ownership (Title or Deed)
- HUD Brochure (hand delivered or certified mail)
- Waiver of Rights to Just Compensation (if applicable)
- Waiver Right to an Appraisal (if applicable)
- If appraisal is not waived, a copy of the appraisal or determination of value in file.
- Copy of Review appraisal (if applicable)
- Was value of property valued at \$2500 or less? If yes, was the value based on a review of available market data (e.g., recent sales data, court awards, etc.)
- Written offer to purchase (hand delivered or certified mail)
- Proof of receipt of payment (if applicable)
- Recorded appropriate acquisition instrument (full title, permanent easement, long term lease, and right-of-way) (this should correspond to question #1)

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4. Were all grantee's costs paid related to the acquisition and transfer of title (e.g., recording fees, boundary surveys, legal descriptions, mortgage penalties, transfer fee, pro-rated taxes, litigation expense, etc.)?

☐ Yes ☐ No

5. Were any grant funds used to clear the title? (no grant funds may be used to clear title)

☐ Yes ☐ No

6. If condemnation was required, does the judgment equal the amount paid?

☐ Yes ☐ No

7. Is the grantee's file for this compliance area complete?

☐ Yes ☐ No

COMMENTS: _____

RELOCATION

Project No. _____

Reviewer _____

1. GENERAL

A. Is there a separate relocation file for each displacee? ☐ Yes ☐ No ☐ N/A

2. NOTICES

A. Did the displacee receive the grantee's Notice of Eligibility For Relocation Assistance? ☐ Yes ☐ No ☐ N/A

i. Hand delivered signed receipt? ☐ Yes ☐ No ☐ N/A
or

ii. Certified mail receipt? ☐ Yes ☐ No ☐ N/A

B. Did the displacee receive the applicable HUD brochure? ☐ Yes ☐ No ☐ N/A

C. If yes, check the brochure received.

☐ "Relocation Assistance to Tenants Displaced from Their Homes"

☐ "Relocation Assistance to Displaced Homeowners"

☐ "Relocation Assistance to Displaced Businesses, Nonprofit Organizations, and Farms"

i. Hand delivered signed receipt? ☐ Yes ☐ No ☐ N/A
or

ii. Certified mail receipt? ☐ Yes ☐ No ☐ N/A

D. If applicable, did the displacee receive the 90-day Advance Notice to Move? ☐ Yes ☐ No ☐ N/A

i. Hand delivered signed receipt? ☐ Yes ☐ No ☐ N/A
or

ii. Certified mail receipt? ☐ Yes ☐ No ☐ N/A

iii. Date of Notice: _____

iv. Date occupant required to move: _____

3. RENTAL AGREEMENTS

A. If the grantee permitted an owner or tenant to occupy the real property acquired, was the rent charged equivalent to the fair rental value of the property? ☐ Yes ☐ No ☐ N/A

B. Is there a short-term lease agreement in the file? ☐ Yes ☐ No ☐ N/A

4. DETERMINATION OF DISPLACEE NEEDS BY GRANTEE

A. For families and individuals, are the following claim forms in the file:

i. Tenant Assistance or Downpayment Assistance? ☐ Yes ☐ No ☐ N/A

ii. Replacement Housing Payment for 180-Day Homeowners? ☐ Yes ☐ No ☐ N/A

iii. Moving and Related Expenses? ☐ Yes ☐ No ☐ N/A

☐ Fixed

☐ Actual

B. For businesses, nonprofit organizations, and farm operations, are the following claim forms in the file:

- | | | | |
|--|------------------------------|-----------------------------|------------------------------|
| i. Actual Reasonable Moving and Related Expenses? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| ii. Fixed Payment in Lieu of Payment for Actual Moving and Related Expenses? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |

5. DONATION OF DISPLACEE PROPERTY

- | | | | |
|---|------------------------------|-----------------------------|------------------------------|
| A. Did the displacee donate their property in lieu of relocation payment? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| i. If yes, was a signed donation/waiver in the file? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| ii. Hand delivered signed receipt? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| or | | | |
| iii. Certified mail receipt? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |

6. PAYMENT DOCUMENTATION

- | | | | |
|---|------------------------------|-----------------------------|------------------------------|
| A. Is there payment documentation for: (i.e., copy of canceled check) | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| i. Relocation assistance? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| ii. Moving expenses? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |

7. COMPARABLE REPLACEMENT UNIT DOCUMENTATION

- | | | | |
|---|------------------------------|-----------------------------|------------------------------|
| A. Is the "Selection of Most Representative Comparable Replacement Dwelling" form in the file? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| B. Was a referral to at least one comparable replacement dwelling included in the notice of eligibility for relocation assistance? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| C. Is there evidence that the grantee inspected the replacement dwelling to determine that it met the decent, safe, and sanitary standards? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |

8. LAST RESORT UNIT DOCUMENTATION

- | | | | |
|--|------------------------------|-----------------------------|------------------------------|
| A. Has the grantee determined that: | | | |
| i. The unit is not feasible to rehabilitate? (i.e., rehabilitation cost estimate exceeds \$15,000) | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| ii. No comparable replacement unit exists in the grantee's jurisdiction? (i.e., copy of letter from realtor addressing the unavailability of comparable replacement units) | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |

9. INTERVIEW OF PROJECT DISPLACEE

- | | | | |
|---|------------------------------|-----------------------------|------------------------------|
| A. Did the displacee receive notice of eligibility for relocation assistance? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| B. Was the grantee's relocation assistance payment adequate? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| C. Was the grantee's moving expenses payment adequate? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| D. Were the grantee's advisory services sufficient? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| E. Does the displacee consider the grantee's treatment and relocation assistance to be fair and reasonable? (interview) | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |

10. SECTION 104(d) ANTIDISPLACEMENT COMPLIANCE

- | | | | |
|---|---------------------------------|--------------------------------------|------------------------------|
| A. Has the grantee demolished or converted any occupiable low to moderate income dwellings? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| B. Has DED determined that the grantee has a sufficient number of low to moderate income units to grant an exception to the one-for-one replacement requirements? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| C. If not, does grantee have a specific one-for-one replacement plan approved by DED? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| D. Was the displacee notified of relocation assistance available under 104(d), including option to choose Uniform Act Relocation Assistance? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| E. Which relocation assistance did the displacee choose? | <input type="checkbox"/> 104(d) | <input type="checkbox"/> Uniform Act | |

11. Is the grantee's file for this compliance area complete? ☐ Yes ☐ No

COMMENTS: _____

DEMOLITION

Project No. _____

Reviewer _____

1. How many units or structures were demolished with CDBG funds?

2. Is there evidence that the units were inspected for asbestos?

☐ Yes

☐ No

☐ N/A

If so, state address of units or structures: _____

House # _____

House # _____

House # _____

Yes, No, N/A

Yes, No, N/A

Yes, No, N/A

3. Was the asbestos inspector certified?

4. Did the inspector find friable asbestos?

5. If so, was a licensed abatement contractor procured?

6. Are the abatement contractor and demolition contractor the same?

7. If not, was a demolition contractor procured?

8. Was the asbestos waste disposed of at a sanitary landfill, demolition landfill, or a hazardous waste facility?

9. Is an asbestos post-notification form in the file for each demolition unit or structure?

10. Was the demolition debris disposed of at a sanitary landfill or demolition landfill?

11. Are landfill receipts in each demolition file?

12. Was there hazardous waste in any demolition debris?

13. If so, was the hazardous waste disposed of at a facility that specializes in hazardous waste disposal?

14. Are receipts from the hazardous waste facility in the file of each such demolition?

15. If local in kind included fire department exercises:

A. Is there a copy of the DNR burn permit in the file?

B. Was asbestos/hazardous material removed prior to burning?

C. Has the site been completely cleared?

16. Is the grantee's file for this compliance area complete?

☐ Yes

☐ No

COMMENTS: _____

ECONOMIC DEVELOPMENT

Project No. _____

Reviewer _____

1. GENERAL

A. Company(s) Involved:

| Name | Jobs to be Created/Retained | Existing Employees |
|-------|-----------------------------|--------------------|
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |

B. LMI Company Owners:

Name

C. Private Investment Release Date: _____

D. Pledged private investment: _____

E. Amount of private investment documented: _____

F. Does this amount meet or exceed the pledged amount? ☐ Yes ☐ No ☐ N/A

G. Other contributions: _____

2. ON-SITE REVIEW

A. Number of pledged jobs created/retained: _____

B. If pledged job creation/retention goals have not been reached, explain why not and when this goal will be achieved.

C. Was payroll listing, including dates of hire, available and reviewed? ☐ Yes ☐ No ☐ N/A

D. Was payroll listing compared to Employment Status Statements? ☐ Yes ☐ No ☐ N/A

E. Is job documentation on file with the grantee? ☐ Yes ☐ No ☐ N/A

F. Breakdown of jobs and applicants:

| Name | Present Employment | New/Retained Jobs | Number Low/Mod Income | Number Low Income | Number Very Low Income |
|------|--------------------|-------------------|-----------------------|-------------------|------------------------|
| | | | | | |
| | | | | | |
| | | | | | |

| | Jobs | | Applicants | |
|---|----------------------------|-------------------------------|----------------------------|-------------------------------|
| | Total Direct Beneficiaries | Hispanic Direct Beneficiaries | Total Direct Beneficiaries | Hispanic Direct Beneficiaries |
| White: | | | | |
| Black/African American: | | | | |
| Asian: | | | | |
| American Indian/Alaskan Native: | | | | |
| Native Hawaiian/Other Pacific Islander: | | | | |
| American Indian/Alaskan Native & White: | | | | |
| Asian & White: | | | | |
| Black/African American & White: | | | | |
| Am. Indian/Alaskan Native & Black/African Am.: | | | | |
| Asian & Native Hawaiian/Other Pacific Islander: | | | | |
| All Others: | | | | |
| TOTAL | | | | |
| Female Head of Household: | | | | |
| Handicapped (Disabled): | | | | |
| Elderly: | | | | |

G. Is applicant documentation on file with the grantee?

3. Is the grantee's file for this compliance area complete?

☐ Yes

☐ No

COMMENTS: _____

MICROENTERPRISE

Project No. _____

Reviewer _____

1. GENERAL

A. Non LMI Company(s) Involved:

| Name | Jobs to be Created/Retained | Existing Employees |
|-------|-----------------------------|--------------------|
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |

B. LMI Company Owners:

| Name | Jobs to be Created/Retained | Existing Employees |
|-------|-----------------------------|--------------------|
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |

C. Is there an environmental assessment and release of funds for each company? ☐ Yes ☐ No ☐ N/A

D. Pledged private investment: _____

E. Other contributions: _____

2. ON-SITE REVIEW

A. Is there a job created for every \$15,000 of loan funds? ☐ Yes ☐ No ☐ N/A

B. How many microenterprise loans were made? _____

C. Were Loans made for eligible activities? ☐ Yes ☐ No ☐ N/A

D. Are there an income surveys available to prove the LMI status? ☐ Yes ☐ No ☐ N/A

E. How many loans were made to LMI owners? _____

F. Number of pledged jobs created/retained: _____

G. If pledged job creation/retention goals have not been reached, explain why not and when this goal will be achieved.

H. Was payroll listing, including dates of hire, available and reviewed? ☐ Yes ☐ No ☐ N/A

I. Was payroll listing compared to Employment Status Statements? ☐ Yes ☐ No ☐ N/A

J. Is job documentation on file with the grantee? ☐ Yes ☐ No ☐ N/A

K. Do jobs meet the full time permanent definition? ☐ Yes ☐ No ☐ N/A

L. Have individual loans exceeded \$25,000? ☐ Yes ☐ No ☐ N/A

M. If job retention has occurred, is there adequate "but for" documentation? ☐ Yes ☐ No ☐ N/A

N. Has the local microenterprise program delivery been consistent with the local program guidelines established? ☐ Yes ☐ No ☐ N/A

O. Is there evidence of a loan review board representing fair loan decisions? ☐ Yes ☐ No ☐ N/A

- P. Is there an executed contract for every microenterprise loan made? ☐ Yes ☐ No ☐ N/A
- Q. Has a RLF been established and is there a tracking method for repayment? ☐ Yes ☐ No ☐ N/A
- R. Has a file been established for each microenterprise applicant? ☐ Yes ☐ No ☐ N/A
- S. Does each microenterprise file contain the required documents? (contract, income status statements, current payroll register, etc.) ☐ Yes ☐ No ☐ N/A
- T. Has the original \$100,000 of loan funds been loaned to microenterprise? ☐ Yes ☐ No ☐ N/A
- U. Of the loans without LMI owners, have 51% of the jobs created been provided to LMI persons (list below)

| Name | Present Employment | New/Retained Jobs | Number Low/Mod Income | Number Low Income | Number Very Low Income |
|------|--------------------|-------------------|-----------------------|-------------------|------------------------|
| | | | | | |
| | | | | | |
| | | | | | |

| | Company Name | | Company Name | |
|---|----------------------------|-------------------------------|----------------------------|-------------------------------|
| | Total Direct Beneficiaries | Hispanic Direct Beneficiaries | Total Direct Beneficiaries | Hispanic Direct Beneficiaries |
| White: | | | | |
| Black/African American: | | | | |
| Asian: | | | | |
| American Indian/Alaskan Native: | | | | |
| Native Hawaiian/Other Pacific Islander: | | | | |
| American Indian/Alaskan Native & White: | | | | |
| Asian & White: | | | | |
| Black/African American & White: | | | | |
| Am. Indian/Alaskan Native & Black/African Am.: | | | | |
| Asian & Native Hawaiian/Other Pacific Islander: | | | | |
| All Others: | | | | |
| TOTAL | | | | |
| Female Head of Household: | | | | |
| Handicapped (Disabled): | | | | |
| Elderly: | | | | |

V. Is applicant documentation on file with the grantee?

☐ Yes

☐ No

☐ N/A

W. Breakdown of applicants:

| | Company Name | |
|---|-------------------------|----------------------------|
| | Total Direct Applicants | Hispanic Direct Applicants |
| White: | | |
| Black/African American: | | |
| Asian: | | |
| American Indian/Alaskan Native: | | |
| Native Hawaiian/Other Pacific Islander: | | |
| American Indian/Alaskan Native & White: | | |
| Asian & White: | | |
| Black/African American & White: | | |
| Am. Indian/Alaskan Native & Black/African Am.: | | |
| Asian & Native Hawaiian/Other Pacific Islander: | | |
| All Others: | | |
| TOTAL | | |
| Female Head of Household: | | |
| Handicapped (Disabled): | | |
| Elderly: | | |

3. MICROENTERPRISE

A. Has educational component described in application been successfully implemented and documentation of file?

☐ Yes

☐ No

☐ N/A

MICROENTERPRISE

(complete this form for each loan)

Grantee _____ Project No. _____

Use of funds: _____

Loan made to (name of company) Amount of Loan \$ _____

Pledged Private Investment \$ _____

Other Contributions \$ _____

Total amount of project: _____ x 70% = _____

Does Microenterprise loan exceed 70% of the total project cost? ☐ Yes ☐ No ☐ N/A

Does loan exceed \$25,000? ☐ Yes ☐ No ☐ N/A

Non LMI Company? ☐ Yes ☐ No LMI Company Owners? ☐ Yes ☐ No

Name

Jobs to be Created/Retained

Existing Employees

Are income surveys available to prove the LMI status? ☐ Yes ☐ No ☐ N/A

Was payroll listing, including dates of hire, available and reviewed? ☐ Yes ☐ No ☐ N/A

Is there a job created for every \$15,000 of loan funds? ☐ Yes ☐ No ☐ N/A

Was Loan made for eligible activities? ☐ Yes ☐ No ☐ N/A

If pledged job creation/retention goals have not been reached, explain why not and when this goal will be achieved.

Was payroll listing compared to Employment Status Statements? ☐ Yes ☐ No ☐ N/A

Do jobs meet the full time permanent definition? ☐ Yes ☐ No ☐ N/A

(Two permanent part-time jobs are equal to one permanent full-time position)

Does file contain the following:

Executed contract? ☐ Yes ☐ No ☐ N/A

Proof of ownership? (land & building purchases) ☐ Yes ☐ No ☐ N/A

Environmental assessment? ☐ Yes ☐ No ☐ N/A

SHPO clearance? ☐ Yes ☐ No ☐ N/A

Has a RLF been established and is there a tracking method for repayment? ☐ Yes ☐ No ☐ N/A

Has a file been established for each microenterprise applicant ☐ Yes ☐ No ☐ N/A

Has educational component been implemented and documentation of file? ☐ Yes ☐ No ☐ N/A

Was construction or rehab a part of the project? ☐ Yes ☐ No ☐ N/A

Was prevailing wage paid correctly? ☐ Yes ☐ No ☐ N/A

DED CONFLICT OF INTEREST PROGRAM POLICY

The Community Development Block Grant Program, Department of Economic Development, State of Missouri, developed a conflict of interest policy in August 1983, relating to participation in contract selection, award, and administration. Since that time, this issue has arisen in other areas of the program. The State agreed, when it accepted the program in 1982, to abide by 24 CFR 570.611 of the Federal Regulations (conflict of interest) for the Community Development Block Grant Program. In an attempt to further clarify this issue for the State's program, the State has adopted, as of March 1, 1987, the following position on conflict of interest, incorporating the August 1983 policy and extending the policy further to address other areas as provided in 24 CFR 570.611.

Standard of Conduct Involving Conflict of Interest

1. **Persons Covered:** The conflict of interest provisions of this policy shall apply to any person who is an employee, elected or appointed official, agent, consultant, officer, or any immediate family member* or business partner of the above, of the recipient, or of any designated public agencies, or sub-recipients which are receiving funds from the Missouri Community Block Grant program.

*** Immediate family is defined as husband, wife, son, daughter, stepchild, adopted child, foster child, and wards.**

2. **Applicability:**

- a. In the area of procurement of supplies, equipment, construction, and services by recipients, sub-recipients, or designated public agencies, the conflict of interest provisions in 24 CFR 85.36 or OMB Circular A-110, as applicable, shall apply.
- b. In all cases not governed by 24 CFR 85.36, the provisions of this policy shall apply. Such cases include the acquisition and disposition of real property and the provisions of assistance by the recipient or sub-recipients to individuals, businesses, and other private entities in the form of grants, loans, or other assistance through eligible activities of the program which authorize assistance.

3. **Conflicts Prohibited:** Except for approved eligible administrative or personnel cost, no persons described in 1 above who exercise or have exercised any functions or responsibilities with respect to CDBG activities assisted under the State program or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a personal or financial interest or subcontract or agreement with respect thereto, or the proceeds thereunder, either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter. For the State CDBG Economic Development Program, the above restrictions shall apply to all activities that are a part of the funding approval for all projects, and shall cover any such interest or benefit during, or at any time after, such person's tenure.

4. **Exception:** The State may, on a case by case basis, grant an exception to Section 3 above after a determination has been made by the State that the exception will serve the purposes of the Housing and Community Development Act of 1974 and the State's adopted Final Statement for each year therefor only after the recipient has provided to the State the following written documentation:

- a. A disclosure of the nature of the conflict accompanied by an assurance that there has been a public disclosure of the conflict and a description of how the public disclosure was made (which may include either a public hearing or an appropriate comment period); and

- b. An opinion of the recipient's attorney that the interest for which the exception is sought would not violate State or local law.

Standard of Determining Exception

In determining whether to grant an exception, after the above two items have been received, the State shall consider the following factors, where applicable:

1. Whether the exception would provide a significant cost benefit or an essential degree of expertise to the program or project which would otherwise not be available;
2. Whether an opportunity was provided for open competitive bidding or negotiation;
3. Whether the person affected is a member of a group or class of low or moderate income persons intended to be the beneficiaries of the assisted activity, and the exception will permit such person to receive generally the same interests or benefits as are being made available or provided to the group or class;
4. Whether the affected person has withdrawn from his or her functions or responsibilities, or the decision-making process with respect to the specific assisted activity in question;
5. Whether the interest or benefit was present before the affected person was in a position as described in Section 3;
6. Whether undue hardship will result either to the recipient or the person affected when weighted against the public interest served by avoiding the prohibited conflict; and
7. Any other relevant considerations.

If after all considerations, determination is made to grant an exception, the State shall issue a waiver noting such exception and the conditions and basis of the issuance of same.

PROPERTY MANAGEMENT

Introduction

During the course of a CDBG project, recipients may purchase a variety of items necessary to successfully carry out implementation. Depending on its nature and value, there must be an accounting for property acquired with CDBG monies in accordance with the provisions of 24 CFR 85, as modified by 24 CFR 570, Subpart J.

There are two broad classifications of property that may be acquired with CDBG monies. These are as follows:

1. Real Property – land, including improvements, structures, and appurtenances; and
2. Personal Property – includes all property that is not considered real property such as equipment, desks, typewriters, lumber, tools, supplies, or intangible items. Intangible items include patents, inventions, and copyrights. Personal property is further classified as:
 - Non-expendable – all tangible property having a useful life of more than one year and an acquisition cost of \$3000 or more per unit, such as typewriters; and
 - Expendable personal property – all tangible property other than non-expendable items, such as office supplies and construction materials.

Title to real property acquired in whole or in part with CDBG monies shall vest with the community as long as it is used for its authorized CDBG eligible purpose. If real property is no longer needed for authorized CDBG purposes, the CDBG recipient shall request disposition instructions from DED as follows:

The amount of compensation shall be computed by applying the percentage of DED/Federal participation in the cost of the original purchase to the current fair market value of the property. For example, if the DED participation was 50% in the program and the fair market value of the equipment at the time of disposition is \$20,000, DED shall be reimbursed \$10,000. The Department may utilize the option of a 20-year straight-line depreciation schedule to determine repayment, if deemed appropriate, with the grantee's consent.

This rule extends to real property purchased, constructed, or rehabilitated with CDBG funds for grant recipients and sub-recipients.

A CDBG recipient may use non-expendable personal property for community development activities as long as it is needed, even if DED is no longer needed for the original program. The property should be used in conjunction with other Federally-sponsored activities in the following order:

- Activities sponsored by HUD; and
- Activities sponsored by other Federal agencies.

Disposition of non-expendable personal property should take the same form as the explanation of real property.

DED regulations require maintaining effective control over all property acquired in whole or in part with CDBG funds. In addition, recipients are required to assure that it is used solely for authorized purposes.

DED requires the maintenance of a property register as an integral part of effective control over and accountability for all CDBG acquired property. All categories of property may be recorded on this single register, though separate registers should be kept for each project if the community administers more than one grant. When such property is purchased with CDBG funds, enter the applicable date on the register using the procedures described below. For example, in the case of real property, you may want to record the previous owner of a purchased parcel of land. Recipients may also wish to maintain a property management card for each item obtained.

All purchased property must be adequately controlled and safeguarded. For example, real property, such as buildings, should be adequately equipped with security devices. Non-expendable property, such as desks and typewriters, should be reasonably protected from theft. In addition, the receipt and issuance of expendable personal property must be controlled.

Procedures

1. Identify all assets in real and non-expendable personal property for each CDBG grant.
2. Classify all assets according to the following classification scheme:
 - a. real property
 1. land acquired
 2. land improved
 3. buildings and facilities
 4. equipment – non-moveable
 - b. non-expendable personal property
 1. valuation \$1 – \$300
 2. valuation \$301 – 4,999
 3. valuation \$5,000 or more
3. Conduct a complete inventory of all property assets at two-year intervals or at project close-out.
4. Identify all non-expendable personal property by a tag permanently affixed to it which provides the following information:
 - a. CDBG grant and year
 - b. I.D. number
5. Maintain a property register for each CDBG grant. The register shall consist of a current and complete listing of all property acquisitions and dispositions. If, as part of the close-out process, the grantee is directed to compensate DED or the Federal government for its share of the property, then the method used to determine the fair market value should be noted.
6. In addition to the information contained on the register, a Property Management Card file for each item may be maintained to:
 - a. provide a continuous record of the current value of the property;
 - b. maintain coding classification references, location, and use information; and

- c. provide a subsidiary file tied to the property register.
- 7. For expendable personal property, such as that used in housing rehabilitation projects (lumber and electrical fixtures), there must be:
 - a. adequate records of the receipt of goods, issuance of goods, and balance of items on hand;
 - b. documentation of the person who authorized the issuance of goods;
 - c. documentation of the location, such as a house or project, to which the goods were delivered; and
 - d. documentation of the individual who received the goods.

Other expendable personal property, such as office supplies, does not need this level of control. However, items must be adequately safeguarded.

****PROGRAM ADMINISTRATION HELPFUL HINTS****

- ❖ Lack of attention to compliance slows project progress.
- ❖ Poor paperwork organization spells trouble.
- ❖ Assigning one point of contact with the city or county eases communication and lessens misunderstanding.
- ❖ Remember that the responsibility of the grant rests with the city or county.
- ❖ Keep a set of records at the city hall or county courthouse.
- ❖ Monitor yourself before the state monitors you.
- ❖ Conflict of interest cannot be fixed after it occurs. Recognize it and take action ahead of time.
- ❖ Real property purchased with CDBG funds is subject to repayment if it changes hands.

(More helpful hints can be found at the end of Chapters II through XI.)